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*On the STATISTICS of TONNAGE during the FIRST DECADE under the
NAVIGATION LAW of 1849. By JOHN GLOVER, Esq., F.S.S.*

[Read before the Statistical Society, 17th June, 1862.]

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I.—*Introduction.*

IN 1849 the Legislature passed the Act 12 and 13 Vict., c. 29, commonly called the Navigation Laws Repeal Bill, but which may be more accurately described as the law which repealed sundry customs' regulations imposing higher duties on certain goods when imported in any other than British ships, or ships of the same country as the produce. No public clamour or interest urged the passing of this Bill. No torrent of public opinion, such as forced the corn law repeal, made this other and later repeal irresistible. The records of the time, however, show how hotly its passage through Parliament was contested; and that both as to its policy and results there was great difference of opinion. The origin of the measure was peculiar. To secure the speedy passage of an important public Bill through Parliament, it is not, generally speaking, enough to show that there are weighty abstract reasons why it should pass—such as that its principles had been already affirmed in some previous measure, the enactment of which had produced a sort of logical necessity for a further step in the same direction, in order to avoid the appearance of Parliamentary inconsistency. Parliament is not usually moved by appeals of this nature, either to its consistency or inconsistency, but wisely, as it seems to us, it clings to practical, rather than theoretical, necessities; and only accepts theoretical service after it has decided for manifest practical reasons to take some action. In the instance before us, however, its conduct was exceptional.

In 1849 there was no scarcity of tonnage either British or Foreign, nor the most remote prospect of such a calamity; but the Navigation Laws were then suddenly repealed because recent enactments had undermined their basis and left them only as an inconsistent legislative fact. Hence, when freedom of tonnage was once proposed as the natural corollary to freedom of trade, it could not be successfully opposed because the legislature was so deeply committed to the underlying principle; and hence also its enactment without the usual Parliamentary justification, and without such reservations as to the time and the mode and the rapidity with which its new principles should be applied. It could not be, however, that an interest so old and so extensive, and one which had so long enjoyed the protection of the State, should suddenly have this protection withdrawn, without great fear being entertained for the consequences. So natural is it for dependence to become ever more dependent, and to think of all its good as having come through the channel that is about to close. But the question has at last emerged from the stormy atmosphere of prediction into the calmer region of fact, and can now be examined in the completed statistics of a decade perhaps the most remarkable in the trading history of any country. Its stupendous facts could scarcely be believed but for the unimpeachable public statistics in which they lie recorded, and in which, strange to say, both the advocates and the opponents of the legislation of 1849 think that they find now a justification for what was done then. In the greatly increased tonnage supply the advocates of the measure find their justification, seeing how largely it was required by the trade of the decade; while on the other hand the opponents find their justification in the unprecedented increase of foreign tonnage in the trade of the United Kingdom; in the continued refusal of the same liberty of tonnage to our flag by many foreign states, and in the cheapening of freight so far below remunerative prices as to have occasioned the necessity for a Parliamentary inquiry on the subject, and to have left the British shipping interest in a condition of great depression at the end of the most brilliant decade of British trade, a period which should have been equally favourable for British tonnage. The increase of foreign tonnage, as we shall see, far exceeded what either the most ardent advocate or the most violent opponent of the measure could ever have imagined, and has now a complete statistical verification. For this vast increase of tonnage, the increasing trade always provided a market, though of what sort these figures do not show.* In most cases of great trade development the national gain has quickly

* A demonstration could be obtained only by an examination of the freight statistics for the decade; but an accurate impression of the unprofitable nature of shipping business during its latter years, may be gained from the evidence given before the Select Committee, and from their report.

re-acted upon the loss sustained by particular interests through legislative changes, and made these interests stronger through the suffering they have endured: and if such a result has not accrued in this case in spite of the enormous development that has occurred since the change in the law, we submit that it may be wise to ask whether, while right in its abstract principle, the legislation of 1849 was equally right in the time, and the rate, and the mode of its application.

In selecting for review the period 1850-60,—the first year is chosen as furnishing an exact representation of the position of our shipping when the new law came into operation—and the last year—as being sufficiently distant to show in sharp contrast whatever changes the law had produced. I have only to add before proceeding to consider the figures, that there are three points from which the tonnage question is regarded, viz.,—that of the shipowners,—that of the consumers,—and that of the nation. Just conclusions are most likely to be attained by observation of the following figures from all these different stand-points—not from any one of the three.

II.—*Comparisons of Total Entries and Clearances.*

The first table to which I invite attention is for the purpose of making an absolute comparison between the totals of 1850 and those of 1860.

TABLE I.—*Showing the Total Amount of Tonnage Entered and Cleared in 1850 and 1860 with Cargoes and Ballast.*

	Tons.
1850	14,505,064
'60	24,689,292
Increase, tons	10,184,228
„ per cent.	70·21
„ „ between 1840-50	53·67
„ „ „ '30-40	62·76
„ „ „ '20-30	9·89

It will be readily acknowledged that an increase of more than 70 per cent. in ten years in our total tonnage movement is suggestive of questions numerous enough to justify the inquiry on which we are now entering. This will, however, be still more apparent when we now show by Table II that the increase of tonnage actually employed was 73·35 per cent.

TABLE II.—*Showing the Total Amount of Tonnage Entered and Cleared in 1850 and 1860 with Cargoes only.*

	Tons.
1850	12,020,674
'60	20,837,918
Increase	8,817,244
„ per cent.	73·35

The increase with cargoes only, being greater than that with cargoes and ballast, it follows that there was more constancy in the tonnage demand both outward and homeward, and that in proportion to the total increase, fewer vessels had to make voyages in ballast, seeking for cargoes to carry.

This increase of 73 per cent. in the decade 1850-60, is so large and satisfactory, that at first sight it might seem needless to ask any further questions. It is indeed a grand march of millions—advancing from *five millions* in 1830, to *nine millions* in 1840, then to *fourteen millions* in 1850, and in 1860 attaining the wonderful climax of *twenty-four millions*. But besides gross totals the records tell us of what flags and in what proportions these totals are composed, and in so vast a development, especially as it occurred under a new law, the important question immediately arises—has the development been general and equal?

III.—*British Tonnage Comparisons.*

We therefore proceed to a second comparison, showing the amount of British tonnage in 1850, compared with the same in 1860:—

TABLE III.—*Showing the Amount of British Tonnage Entered and Cleared in 1850 and 1860, with Cargoes only, and with Cargoes and Ballast.*

	With Cargoes only.	With Cargoes and Ballast.
	Tons.	Tons.
1850	8,039,308	9,442,544
'60	12,119,454	13,914,923
Increase	4,080,146	4,472,379
„ per cent.	50·75	47·36
„ „ between 1850-40	—	45·48
„ „ „ '40-30	—	51·65
1830-20	—	A small decrease.

From Table III, it appears that the increase of British tonnage entered and cleared with cargoes during the decade, was 50·75 per cent., and including ballast vessels in the comparison 47·36 per cent.

The rate of increase during the previous decade having been 45·48 per cent., it must be considered that this is satisfactory; largely to increase during three decades, *and to sustain the rate of increase on the ever enlarging area*, indicates marvellous activity and life.

There is, however, another analysis of the British entries and clearances, which should be specially mentioned, viz., that of steam tonnage.

TABLE IV.—*Showing the Amount of Steam Tonnage Entered and Cleared in 1850 and 1860.*

	Tons.
1850	2,209,847
'60	4,967,573
Increase.....	2,757,726
„ per cent.	124·80

All this, however, is not strictly trade increase. Postal subsidies exercise, without doubt, an important influence on these figures; yet the fact remains—subject only to some qualification on this account—that while Table III shows so large a general increase as 50·75 per cent., Table IV shows that in the special item of steam tonnage on which all the near trades are ever becoming more dependent, the increase was no less than 124·80 per cent.

The amount of shipping built in any particular year, does not furnish certain data from which to test in an inquiry like this, for it may be greatly impeded by strikes, or greatly stimulated by unusual cheapness of material and labour. Table V, however, shows the comparison between 1850 and 1860 in this respect, distinguishing steamers from sailing vessels.

TABLE V.—*Showing the Number, Tonnage, and Average Size of Sailing and Steam Vessels Built in 1850 and 1860.*

	Sailing Vessels.			Steam Vessels.		
	Number.	Average Size.	Tons.	Number.	Average Size.	Tons.
1850	621	Tons. 191	119,111	68	214	14,584
'60	818	193	158,172	198	271	53,796
Increase.....	197	2	39,061	130	57	39,212
„ per cent.	31	1	32	191	26	270

The value to be attached to the results of Table V, will be better appreciated after we have shown by Table VI, the registered amount of British tonnage in 1850 and 1860, and in previous decades:—

TABLE VI.—*Showing the Number of Vessels, their Average Size, and Total Registered Tonnage of the United Kingdom and Channel Islands; also the Increase in each Decade from 1810 to 1860, and the degree of Activity in each Decade.*

Year.	Number of Vessels Registered.	Average Size.	Total Tons.	Increase per Cent. in Tonnage.	Degree of Activity.
1810	20,253	109	2,210,661	—	—
'20	21,969	110	2,431,029	9·97	1·84
'30	19,174	114	2,201,592	none	1·94
'40	21,983	123	2,724,107	23·78	2·38
'50	25,138	139	3,504,944	28·66	2·69
'60*	27,663	168	4,658,687	32·63	2·77

* The new mode of measuring ships which came into operation in 1855, has had the effect of making the increase in registered tonnage about 10 per cent. less than the ships since added to the register would have made it, had the former regulations for measurement continued in force to the end of the decade.

It will be observed that Table VI shows that in 1860 compared with 1850, the number of ships was greater, the average size larger, and the degree of activity also greater. The decade 1840-50, exhibits results highly satisfactory both as to increase in number and average size, as well as in activity—results which justify our previous statement, that the Act of 1849 was passed in deference to the abstractions it embodied rather than to any famine of tonnage for which the Act was to provide a remedy; but satisfactory as that decade was, and large as the figures of its increase are, those of the decade 1850-60 surpass it,—and that too precisely in the particulars which most indicate tonnage prosperity,—for it will be observed that whereas the number of ships added to the register in 1840-50 was 3,155, in 1850-60 it was only 2,525; the gain of tonnage which was 780,837 tons in 1840-50 on 3,155 vessels, was 1,153,743 tons in 1850-60 on 2,525 vessels; the decrease in the number of vessels was 630, but on this decreased number of vessels, there was a gain of 372,906 tons of carrying power. The third column shows that from 1810 to 1830, very little progress was made in the size of vessels, but thenceforward rapidly, and in the last decade with a ratio double that of any previous period, the average size of our ships has been increasing. The inferences from increasing size are all favourable, viz.:—

1. That employment for tonnage is more steady and concentrated; and that it is to be had in larger bulks.

2. That freight will be thus cheapened in the most satisfactory manner, goods being carried in larger bulks, at less cost to the

consumer, and with more profit to the carrier, so benefiting both parties.

On the fourth and fifth columns of Table VI it is only necessary to add, that from 1810 to 1830, we actually decreased both in the number and tonnage of our ships; but that from 1830 onwards, every decade has witnessed a large increase, the last being the largest of all. It would hardly have been surprising if, after such an augmentation as 28 per cent. in 1840-50, there had been some reaction, but instead of that, 1860 shows both an absolute and relative increase over the unprecedented figures of 1850. The last column of this table indicates the degree in which our registered tonnage was active, by the ratio which it sustains to the total amount of British tonnage entered and cleared. This increased activity is another circumstance by which freight has been cheapened, and both the consumer and shipowner benefited. Neither the time occupied in sailing on any given voyage, nor the time occupied in seeking and finding, in loading and discharging cargoes, nor in idle intervals between voyages, nor in snugly lying up during the more stormy months of winter,—none of these occupy so much time as formerly, and hence, as the last column in this table shows, an ever increasing rate of activity. The whole increase shown, however, is not attributable to these causes. Steamers contribute largely to it, though in considering the influence of steamers on this figure, it must be recollected that a great many of the largest steamers owned and registered here, are not in our ports for years, and do not leave any mark of their movements on the tonnage statistics of the United Kingdom.

occupied in Home Trade and Foreign Trade; also the Average Tonnage of the Steamers.

Steam Vessels.			Total.			
Average Tonnage.	Men.	Number of Men to each 100 Tons.	Vessels.	Tonnage.	Men.	
169 229	4,491 6,416	8·2 6·9	9,150 11,250	721,153 913,333	43,018 45,579	1850 } Home trade 1860 }
60	1,925	1·3 Decrease	2,100	192,180	2,561	Increase
36·	43·	15· Decrease	23·	26·	5·8	„ per cent.
525 620	3,813 17,958	8·4 6·4	7,235 7,323	2,188,420 3,082,047	97,725 115,582	1850 } Foreign trade 1860 }
95 Increase	14,145 Increase	2· Decrease	88 Increase	893,627 Increase	17,857 Increase	
18·	371·	23·8 Decrease	1·2	40·	18·	Increase per cent.
245 430	8,700 26,105	8·3 6·5	17,892 20,019	3,137,212 4,251,739	151,430 171,592	1850 } Total, including 1860 } ships occupied in home and foreign trade
185	17,405	1·8 Decrease	2,127	1,114,527	20,162	Increase
75·	200·	21· Decrease	11·	35·	13·	„ per cent.

also made most satisfactory progress, viz., from 4·3 per 100 tons in 1850, to 3·4 in 1860, being a reduction of 20 per cent., against the reduction of 17 per cent. in the home trade. On the total comparison between sailing vessels in 1850-60, the only observation we make is the contrast shown between the large addition to carrying power, and the small increase of labour by which it is worked,—nearly 900,000 tons of shipping added, and only 2,757 men,—an increase of 27 per cent. to the tonnage, but with less than 2 per cent. increase in the number of men employed.

The changes in steam tonnage employed during the decade, as shown by Table VII, are very remarkable. In the home trade 25 per cent. added to the number, 70 per cent. added to the tonnage, 36 per cent. added to the average size, 43 per cent. added to the total number of men employed, and a reduction of 15 per cent. in the number of men per 100 tons. The extension of steam tonnage in the foreign trade is marvellous; only 86 steamers in 1850, 447 in 1860, an increase of 419 per cent. in number, 515 per cent. in

tonnage, 18 per cent. in average size, 371 per cent. in the number of men employed, and a reduction of 23·8 per cent. in the number of men per 100 tons—8·4 in 1850 against 6·4 per 100 tons in 1860. Comparing the total steam result of the decade with the total result in sailing tonnage, the contrast stands thus:—

	Per Cent.
Sailing vessels increased	9
Steam "	118
Sailing tonnage increased	27
Steam "	282
Sailing vessels increased in average size	13
Steam " "	75
Sailing vessels furnished employment for additional men to the extent of	1·8
Steam vessels furnished employment for additional men to the extent of	
Sailing vessels decreased the number of men per 100 tons	19
Steam " " "	21

Two things must be recollected with the above comparison; 1. That the area of the rates per cent. on steam tonnage is very small compared with that on sailing tonnage; and 2. That it is quite possible this steam progress may have been too rapid. The more humble looking figures of sailing tonnage, not enhanced by any "Great Easterns," indicate, perhaps, less zeal and more discretion; yet show such ample provision for trade, such improvement in average size and such economy in labour, as entitle the decade to be most conspicuously marked in the annals of British shipping.

Leaving the distinctions between home and foreign trade, also those between sailing and steam tonnage, the total result of the decade appears to be, that in the United Kingdom trade, there were employed under the British flag in 1860, compared with 1850, 11 per cent. more ships, 35 per cent. more tonnage, and 13 per cent. (or 20,162) more men. It is said that our shipowners are "a grumbling class," which is probably true, considering that they are Englishmen, and that all Englishmen grumble; but these figures show very conclusively, we submit, that grumbling was not their sole occupation during the last decade; that while grumbling, for some good reasons, against the Legislature, they addressed themselves vigorously to the new state of things introduced by the Act of 1849, and with energy equalled only by their successful economical appliances, they contributed their full share towards the supply of that great demand for tonnage which began the decade at *fourteen millions*, and ended it at *twenty-four millions*.

IV.—*Foreign Tonnage Comparisons.*

We now come to the statistics of foreign tonnage, which we proposed to examine. It will have been observed, that all the compari-

sons made thus far have been absolute comparisons; only the same thing compared with itself at a subsequent period—these are not usually considered “odious comparisons.” But now we have to institute some relative comparisons which were considered by British shipowners very odious, and on the facts of which much complaint was made to the Legislature, not always in the wisest shape, but with only too much justification in the actual financial condition of British shipping towards the end of the decade.

Perhaps it will enable us to make a more easy and correct appreciation of these relative comparisons if, before instituting them, we examine the extent of foreign tonnage visiting our ports in 1850, and its absolute progress to 1860, and compare this with the progress of previous decades.

TABLE VIII. — *Showing the Tonnage of Foreign Vessels Entered and Cleared with Cargoes and Ballast for each Decade, from 1820 to 1860; also the Increase per Cent., the Proportion per Cent. to Total, and the Proportion per Cent. to British.*

Year.	Tons.	Increase.	Increase per Cent.	Proportion to Total Tonnage Entered and Cleared.	Proportion to British.
1820	799,392	—	—	15'14	17'84
'30	1,517,196	717,804	89'23	26'15	34'40
'40	2,949,182	1,421,986	93'67	31'24	45'42
'50	5,062,520	2,113,338	71'61	34'89	53'61
'60	10,774,369	5,711,849	112'82	43'63	79'58

The above figures relate to entries and clearances both with cargoes and ballast. Comparing the result between 1850 and 1860, with cargoes only, the figures are:—

1850	3,981,366
'60	8,718,464
	<u>4,737,098</u> or 118'99 increase per cent.

It is quite evident from Table VIII, that it is not solely due to the Act of 1849 that 43 per cent. of the total entries and clearances in 1860 were foreign vessels. Under the old reciprocity treaties, foreign tonnage in our trade from 1820 to 1850 had made gigantic strides. The absolute increase was 89 per cent. for the decade ending 1830; 93 per cent. for the decade ending 1840; but for the decade immediately preceding the repeal of the navigation laws only 71 per cent. So in like manner its proportion to the total entries and clearances doubled between 1820 and 1840; and its proportion

to British, in the decades from 1820 to 1850, rose from 17 per cent. to 34, then to 45, and in 1850 had reached 53 per cent. These figures and observations show that the law of 1849 was not enacted to admit that which had hitherto been excluded; but what a stimulus the permission to enter into any of our indirect trades, that Act gave to foreign tonnage, is shown by the extent to which the figures of the decade 1850-60 surpass all those which preceded. The 5,063,520 in 1850, became more than 10,774,369 in 1860, an increase of nearly 113 per cent. The proportion to total increased from 34 in 1850, to 43 in 1860; and the proportion to British rose from 53 to 79. Excluding ballast entries and clearances for the 1850-60 decade, the increase is from nearly 3,900,000 tons, to 8,700,000 tons, or 118.99 per cent. Certainly the framers of the Act of 1849 could not have expected an increase of foreign tonnage so vast as this, nor did its opponents venture to predict that the total increase of 71.61 per cent. of the 1840-50 decade, would, under the new law, be succeeded by an increase with cargoes only of 118.99 per cent. in 1850-60. It is also highly significant of the use made by foreign tonnage of the liberty of indirect trade given by the law of 1849, that the increase with cargoes only is greater than with ballast and cargoes. Against the foreign total increase of 112.82 per cent., that with cargo only is 118.99 per cent. Under the direct trade limitations, a large proportion of the foreign tonnage that came to our ports, discharged the cargoes of their own country's produce, and sailed away in ballast; but now they are able to take cargoes for other countries, if their own country cannot buy our goods. This facility of getting employment here, increases the attraction to come here, and in the exact degree in which it does so, tends to cheapen freight. These figures in Table VIII moreover, furnish us with some idea of what the increase in foreign tonnage would have been, had the navigation laws not been repealed. Recollecting that during the decade 1840-50, the increase was two millions of tons, and that the large grain imports of the decade 1850-60, as well as the war with Russia, greatly increased the demand for foreign vessels, recollecting also the large increase in our foreign trade generally, we estimate that 1860 would have seen the foreign entries and clearances increased to about 9,000,000 tons had the navigation laws not been repealed, so that the surplus beyond that quantity, viz., 1,774,369 tons, probably represents the amount that would not have been in competition in or for our markets, but for that Act.

By the following table we shall compare foreign tonnage in 1850 with British tonnage in 1850, and then by an examination of the same facts for 1860, we shall ascertain what precise changes in the relation of the one to the other were accomplished during the first decade under the new law.

TABLE IX showing the *Relative Position of Foreign and British Tonnage in 1850 and 1860.**With Cargoes and Ballast.*

(000's omitted.)

	1850.				1860.			
	Entered.	Proportion to Total.	Cleared.	Proportion to Total.	Entered.	Proportion to Total.	Cleared.	Proportion to Total.
British	4,700,	66·19	4,742,	63·51	6,889,	56·19	7,025,	56
Foreign	2,400,	33·81	2,662,	36·49	5,283,	43·81	5,490,	44
	7,100,	100·0	7,404	100·0	12,172,	100·0	12,516,	100

With Cargoes only.

	1850.				1860.			
	Entered.	Proportion to Total.	Cleared.	Proportion to Total.	Entered.	Proportion to Total.	Cleared.	Proportion to Total.
British	4,078,	66·71	3,960,	66·10	5,760,	57	6,358,	58·90
Foreign	2,035,	33·29	1,946,	33·90	4,294,	43	4,424,	41·10
	6,113,	100·0	5,906,	100·0	10,054,	100	10,782,	100·0

From Table IX we have the following results :—

1. British tonnage was 66·19 per cent. of the total entries inwards in 1850, and fell to 56·19 per cent. in 1860.
2. Foreign tonnage was 33·81 per cent. of the total entries in 1850, and increased to 43·81 per cent. in 1860.
3. Of the total clearances in 1850, British tonnage occupied 63·51 per cent., and in 1860 56 per cent.
4. Of the total clearances in 1850, foreign tonnage occupied 36·49 per cent., and in 1860 44 per cent.

With cargoes only the results are shown rather less unfavourably to British tonnage, viz. :—

1. Of the entries with cargo in 1850, British tonnage occupied 66·71, and in 1860 57 per cent.
2. Of the same in 1850, foreign tonnage occupied 33·29, and in 1860 43 per cent.
3. Of the clearances with cargo in 1850, British tonnage occupied 66·10 per cent., and in 1860 58·90 per cent.
4. Of the same, foreign tonnage occupied in 1850 33·90 per cent., and in 1860 41·10 per cent.

It is interesting to know under what flags, and in what degree under each flag so large an increase of foreign tonnage has occurred. This is shown by Table X.

TABLE X.—*Showing the Increase of Tonnage under each Flag between 1850 and 1860. Vessels with Cargoes only.*

Nationality of Vessels.	Tonnage Entered and Cleared, 1850.	Tonnage Entered and Cleared, 1860.	Increase.	Increase per Cent.
Russian	163,254	242,673	79,419	48
Swedish	125,649	366,740	241,091	191
Norwegian	331,664	948,212	616,548	191
Danish	285,263	618,681	333,418	116
Prussian	404,401	774,678	370,278	91
Other German States	465,587	1,247,571	781,984	167
Holland	240,444	539,055	298,611	124
Belgian	71,775	131,424	59,649	83
French	369,624	880,352	520,728	140
Spanish	46,328	133,211	86,883	186
Portuguese	19,096	70,077	50,981	263
Italian	195,208	295,635	100,427	51
Other European States } chiefly <i>Austrian</i>	43,160	370,890	323,730	751
United States	1,215,225	2,834,021	1,618,796	133

These are surprising figures. Russia, whose mercantile marine was said to have been entirely destroyed during the war, seems to have reconstructed fast enough to place nearly a quarter of a million tons in our ports during 1860—48 per cent. more than in 1850. Sweden and Norway each add 191 per cent., together an addition of 850,000 tons. Germany increases more than three-quarters of a million—167 per cent.; Holland 124 per cent. Under the heading of other European States, Austria rises from next to nothing in 1850, to more than 300,000 tons, or 751 per cent., nearly the whole of which is in indirect trade, chiefly with Southern Russia. America brings up the rear, making an addition of nearly one million tons above the large increase of Norway—1,618,796 tons, 133 per cent. Of the fourteen flags, only four failed in at least doubling themselves.

V.—*Observations on Foreign Tonnage Comparisons.*

No marvel that the decade in which this increase happened, is considered a remarkable one. It must be recollected, however, that these figures do not indicate whether profit or loss was the result of these large operations, although the natural inference is that increase means success. Increase, however, may come through other than trade causes, temporary and exceptional in their nature, fiery and urgent while they last, and ensuring a terrible reaction when they

are over. The British increase, however, was not greater than the increase in the total tonnage movement warranted; and moreover was not much above its rate of increase in previous decades; but we are compelled to mark the foreign increase as unnatural, both in cause and extent. Such a change in the law as was made in 1849 could only furnish increased employment for foreign tonnage by the gradual growth of trade, or by the displacement of the national flag. But the Act of 1849 had such an effect on the production of foreign tonnage throughout all the maritime countries in Europe, that foreign ships for British trade were built in prodigious numbers. The result of this was not immediately felt however. The Californian and Australian gold discoveries increased trade, the Russian war, as already mentioned, occasioned a vast demand both for our vessels as transports, and for foreign vessels as neutral traders; hence the unfavourable effect of this great increase of foreign tonnage was not experienced in the earlier years of the decade. But in its later years, when tonnage had to depend more on ordinary trade for employment, the disadvantage of so vast an increase was fully realised. If our estimate be at all near the mark, that the Act of 1849 made the increase in the decade about 1,700,000 tons more than the expansion of our trade required, this is enough to explain the distressed condition in which the national tonnage found itself, and to confirm the representations which its largest and most respectable owners made to the Parliamentary committee. For such a surplus over the natural supply, and beyond the ordinary trade demands, is just enough to create that preponderance of supply over demand which makes the buyer master of the situation, and excludes all consideration of cost and profit from the selling price. That was precisely the case in the later years of the decade, and as the most proximate cause of bad freight markets was this indiscriminate increase of foreign tonnage under the Act of 1849, loud complaints were made against its operation, and with many other requests, it was especially demanded of the Legislature that the non-reciprocating States should have the retaliatory clauses of that Act put in force against them. But the Legislature had opened a door which it was impossible to shut, and we must acknowledge that had it been easy to put these retaliatory clauses in force, doing so would have been fruitless, so far as any appreciable effect on freight was concerned, unless we had decided to reject the United States definition of "coasting trade," and to have included her flag with those whose liberty of equal entry to our ports was to be cancelled. The other non-reciprocating powers are unworthy of notice as competitors, their exclusion consequently would not have appreciably reduced the supply of tonnage, nor have made bad freights better. Others said, and with much reason too, that in exposing British tonnage to this unrestricted, and in many cases

unreciprocated competition, without *first* liberating it from all the special burdens and disabilities which had resulted from its previously protected state, and somewhat also from the relation which the mercantile marine had always borne to the Royal Navy and the exigencies of national defence—the Legislature had applied free trade principles to shipping in the wrong order, that it should have been made free at home first, *then* exposed to as much competition as either tonnage wants, or abstract principles, or willingness on the part of other nations to reciprocate, rendered wise or expedient. But while still treated as a protected interest at home, by endless restrictions, imposts and liabilities, it was exposed to competition with foreign tonnage which neither was under these burdens nor would, in many cases, reciprocate the liberty of trade which the Act of 1849 conferred. We submit that so dealing with an old and long protected interest in deference to political abstractions, and in the absence of any manifest practical urgency, was unjust both to the special interest and to the abstract principle. For it can hardly be doubted now, that if free trade principles had been first applied at home—where all kinds of charity should begin, and perhaps free trade is the highest form of national charity—in liberating shipping from its antiquated burdens, such an application of the doctrines would have been a fitting preparation for this competition, and have made the shipowning class free traders; then as the sequence of such legislation, a permissive statute granting to any nations that would reciprocate, equality of entrance to our own *liberated ports*, would have constituted an irresistible appeal to all maritime nations to concede to us what our ambassadors and plenipotentiaries have ever since vainly supplicated in France and Spain, in Portugal and Belgium, and with most reason, though perhaps with least success, in the United States of America. But zeal for the rapid application of these just triumphant doctrines, rather than discretion in the order and rate of their application, seems to have characterized the legislation of 1849: hence a decade following of great manifested capacity on the part of our shipping interest, bravely trying to hold its own, but ending in bitter lamentations to the Legislature and vast pecuniary loss; hence also British shipping being obliged to suffer at the same time both the burdens of protection and the competition of free trade, receiving from both the harm they could each do, receiving from neither the good which either by itself might have done; hence, worst of all, the throwing away of an opportunity so golden, an appeal so irresistible, that rightly used might, ere this, have secured freedom of navigation and equality of maritime rights for every flag, in every harbour, and on every sea!

VI.—Conclusions.

The following conclusions seem to be indicated by the figures and facts of the decade to which attention has been directed:—

1. That the increase of British trade fully justified the increase of British tonnage which occurred during the decade, so that the depression during its last years cannot be charged to over-production of tonnage on the part of British shipowners.

2. That the increased size of British ships, the increasing economy of labour in their navigation, the greater rapidity in their movements, their increased carrying capacity, and especially the great development of steam tonnage, all show that the obvious means whereby freight might be cheapened with advantage to both carrier and consumer, have been diligently and successfully followed by the British shipowner.

3. That the foreign tonnage increase was exorbitant; not based on trade demand, but on political expectations.

4. That the inevitable effects of this excessive increase of foreign tonnage were counteracted during the first half of the decade by very exceptional demands for tonnage, but became manifest immediately on the cessation of these extraordinary demands.

5. That the power of increase manifested by British tonnage during the decade, and the increase that would have occurred in foreign tonnage under the old reciprocity treaties, had the Act of 1849 not been passed, alike prove that there was no urgent public necessity for such summary and hasty application to shipping of the unquestionably sound principles of free trade; but that time might have been taken, without any national sacrifice, to release shipping from its home burdens, and to negotiate with foreign States for reciprocal concessions to our flag, preparatory to the general measure of tonnage liberation.

6. Lastly, that what ought to have been done prior to the repeal of the navigation laws, and is not yet done, ought not to be longer delayed. We especially refer to the abolition of compulsory pilotage, of light dues, of the ballast monopolies, of stamp duties, and to the oppressive liabilities *imposed on British shipowners alone* in the Passenger Acts.

These conclusions would have been further confirmed had we been able to consider the prices of freight, the rate of sailors' wages, the cost of provisions, also of such articles as rope, canvas, copper, &c., all of which largely affect the profitableness or otherwise of maritime adventure during any given time. In the limits of this paper, however, it was not possible to produce statistics on these questions. But for the singularly striking circumstance of a decade in which the employment for shipping increased *ten million tons*,

ending in such general depression and loss, we think the figures adduced do furnish a "reason why."

With respect to pilotage regulations, light dues, ballast, &c., great changes have been recommended to Parliament in the report of the Select Committee presented in August, 1860, and for the most part still wait for legislative sanction.* Both by his wrongs and by his rights, the shipowner thinks himself entitled to these reforms. They, too, are natural corollaries of the free trade principles, and having suffered all the injury which a very hasty application of these principles could inflict, the benefits and exemptions which a further application of the same principles would secure are looked for as rights. And we submit, that the importance of the interest as shown by its own figures for 1860, and the increasing severity of the foreign competition as also shown, alike suggest that this home application of the doctrines of free trade ought not to be, and without injustice, cannot be, longer delayed. Anything like a real decrease in our maritime strength would be accepted everywhere as the symbol of national decline, and no possible concessions would be then esteemed too dear to check and avert such a calamity. Is it not better, *now*, to concede to maritime strength what *then* would be so gladly conceded to approaching weakness? and so, not only preserve our present maritime position, but enable this great national interest, strengthened in and through its sufferings, to retain the proud supremacy of our flag!

* During last session of Parliament a Bill was passed containing clauses intended to effect the gradual abolition of compulsory pilotage.